

100002226

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-07-0717-1966

ELECTIONS: CBM Unit 72-AF; Well No. Haysi-28
(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on August 21, 2007, and recorded at Land Record Instrument No. 070003162 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on August 28, 2007, (herein "Board Order") and (2) to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Range Resources-Pine Mountain, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

- (b) The Designated Operator filed its affidavit of mailing dated April 29, 2010, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated April 29, 2010, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Elections" annexed hereto), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election(s) made, if any; and (iii) whether, by reason of failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank and Trust Company, Trust Division, P. O. Box 3860, Kingsport, Tennessee 37664; Tel: (423) 246-3700; Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated August 21, 2007. The Affidavit of Elections indicates that the escrow of funds is required with regard to CBM Unit 72-AF.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at Paragraph 2 above, to the extent escrow was required and to the extent it pertained to the elections and interests of the Respondents who have entered into a royalty split agreement and no longer require escrow of any funds, the Applicant is hereby directed to provide the Board with reconciliation of its and the Escrow Agent's records so that any funds affected by this Order may be disbursed in an appropriate manner.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this

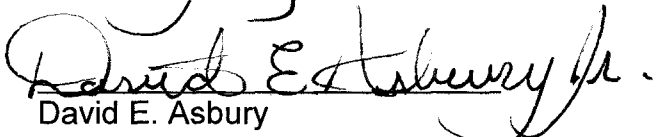
Supplemental Order stating that a true and correct copy of this Supplemental Order was mailed within seven (7) days from the date of receipt of this Supplemental Order to each Respondent whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.
6. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 30 day of July, 2010,
by a majority of the Virginia Gas and Oil Board.


Bradley C. Lambert, Chairman,

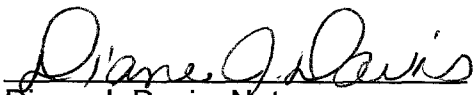
DONE AND PERFORMED this 30th day of July, 2010,
by the Order of this Board.


David E. Asbury
Principal Executive to the Staff
Virginia Gas and Oil Board

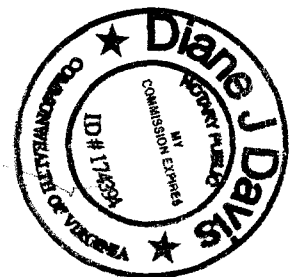
STATE OF VIRGINIA)
COUNTY OF ~~WASHINGTON~~)

Russell

Acknowledged on this 30th day of July, 2010,
personally before me a notary public in and for the Commonwealth of Virginia,
appeared Bradley C. Lambert, being duly sworn did depose and say that he is
Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury,
being duly sworn did depose and say that he is Principal Executive to the Staff of
the Virginia Gas and Oil Board, that they executed the same and were authorized
to do so.


Diane J. Davis, Notary
174394

My commission expires: September 30, 2013



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Range Resources-Pine Mountain, Inc., for Forced Pooling of Interests in CBM Unit Number 72-AF, Well No. Haysi 28, Docket No. VGOB-07-0717-1966 in the Prater District, Prater Quadrangle, Buchanan County, Virginia.

AFFIDAVIT OF MCKINNIS & SCOTT, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of MCKINNIS & SCOTT, the Agent for the Designated Operator, with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on August 21, 2007, by the Virginia Gas and Oil Board regarding the captioned Coalbed Methane Gas Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed and recorded copy of the Order referred to at Paragraph 2, above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender written notice of their election of the option selected under Paragraph 9 of the Order to the Designated Operator within thirty (30) days from the date of receipt of a copy of the recorded Order;
5. That the Designated Operator, by and through its agent, McKinnis & Scott, Attorneys-at-Law, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order;

that said procedures were followed to identify the elections, if any, made with regard to Subject Drilling Unit; that the following persons or entities delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day elections period:

NONE

6. That the interest and/or claims of the following persons or entities (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, as conflicting and unknown or unlocatable:

See Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons or entities have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims:

NONE

8. That the Designated Operator with regard to persons previously requiring the services of the Escrow Agent have now reached an agreement regarding their interests or claims that allows Applicant/Designated Operator to make royalty distribution without the need to escrow funds which would otherwise be in conflict:

NONE

9. That the Respondents identified in Exhibit B-3 hereto have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective coalbed methane rights, interests and claims shall be deemed to have leased to Applicant/Designated Operator pursuant to and in accordance with Paragraph 10 of the Board Order dated August 21, 2007:

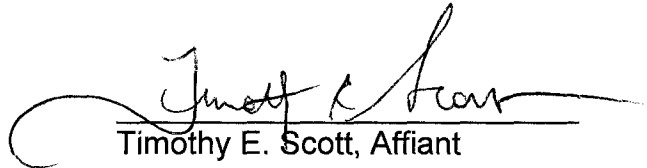
See Exhibit B-3

10. The Designated Operator requests that the following persons be dismissed as Respondents:

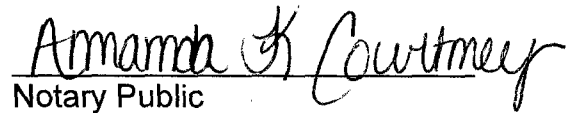
NONE

That pursuant to the provisions of 4VAC 25-160.70.A.10 and .C and VAC 25-160-80, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent **are** required in this matter pursuant to the terms of §§ 45.1-361.21.D and 45.1-361.22.A.3 and .4.

Dated at Kingsport, Tennessee, this 29th day of April, 2010.


Timothy E. Scott, Affiant

Taken, subscribed and sworn to before me by Timothy E. Scott, The Agent for Range Resources-Pine Mountain, Inc., a corporation, on behalf of the corporation, this 29th day of April, 2010.


Notary Public

My commission expires: 7/6/10



EXHIBIT B-3
PARTIES WHO HAVE NOT REACHED A VOLUNTARY AGREEMENT
WITH OPERATOR
HAYSI-28-CBM UNIT 72-AF
DOCKET NO.: VGOB-07-0717-1966
REVISED 7/17/2007

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
CBM Estate and Gas Estate				
2	Vertie Owens Yates Rt. 2 Box 462 Haysi, VA 24256	Unleased	0.16490385	0.09692308
	Frances Johnson 40875 Maravian Drive Clinton Township, MI 48036	Unleased	0.10993590	0.06461538
	Robert Sutherland 2240 State Route 61 Marengo, Ohio 43334	Unleased	0.10993590	0.06461538
	Joyce Mason 1791 State Route 61 Marengo, Ohio 43334	Unleased	0.10993590	0.06461538
	Eva Owens Bonk or unknown heirs Address Unknown	Unleased	0.32980769	0.19384615
	Craig Childress 441 Rainbow Drive Garden City, SC 29576	Unleased	0.01570513	0.00923077
	Thomas Roger & Belinda Owens 1129 Priest Fork Bee, VA 24217-4522	Unleased	0.01570513	0.00923077
	Ruth Owens Address Unknown	Unleased	0.04711538	0.02769231
	Teddy C. Owens, Sr. & Mildred 123 Davenport Road Cumberland, VA 23040	Unleased	0.01570513	0.00923077
	Steve & Hetser Gail Owens 75 Baber Road Cumberland, VA 23040	Unleased	0.01570513	0.00923077

EXHIBIT B-3
PARTIES WHO HAVE NOT REACHED A VOLUNTARY AGREEMENT
WITH OPERATOR
HAYSI-28-CBM UNIT 72-AF
DOCKET NO.: VGOB-07-0717-1966
REVISED 7/17/2007

Orbie Owens Estate C/O Linda Rayfield 134 Chikasaw Drive Shelby, NC 28152	Unleased	0.04122596	0.02423077
Heather Reed 190 Hane Ave. Marion, OH 43302	Unleased	0.00687099	0.00403846
Fred Viers PO Box 371 Haysi, VA 24256	Unleased	0.00824519	0.00484615
Joyce Irene Owens, widow Rt. 2 Box 260 Vansant, VA 24656	Unleased	0.00824519	0.00484615
Paul Matney, widower Rt. 1 Box 436 Vansant, VA 24656	Unleased	0.00824519	0.00484615
Wilma O. Owens, Widow 207 East Amherst St. Sterling, VA 20164	Unleased	0.00824519	0.00484615
Jack Woodard, widower 12018 Deator Road Bristol, VA 24202	Unleased	0.00824519	0.00484615
Kent & Marsha Robinson 3463 Sandlick Road Birchleaf, VA 24220	Unleased	0.00824519	0.00484615
Laura & Robert Breist 529 Breist Hill Birchleaf, VA 24220	Unleased	0.00824519	0.00484615
Brenda & William Mooney 1631 Spencer St. Ferndale, MI 48220	Unleased	0.00824519	0.00484615
Joyce & Gary Vance 515 Vance Mt. Farm Road Haysi, VA 24256	Unleased	0.00824519	0.00484615

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DOCKET NO.: VGOB-07-0717-1966
REVISED 7/17/2007

Donna & Chris Comer 242 Hackney Ridge Birchleaf, VA 24220	Unleased	0.00471154	0.00276923
Vickie Owens C/O Donna Comer, Guardian 242 Hackney Ridge Birchleaf, VA 24220	Unleased	0.00471154	0.00276923
Donnie Lee & Linda Owens PO Box 191 Birchleaf, VA 24220	Unleased	0.00471154	0.00276923
Debbie & Donnie Stanley 1395 Rocklick Road Birchleaf, VA 24220	Unleased	0.00471154	0.00276923
Karen & Avery Boyd PO Box 274 Davenport, VA 24239	Unleased	0.00471154	0.00276923
DeWayne & Gernia Owens Rt. 2 Box 535 Haysi, VA 24256	Unleased	0.00471154	0.00276923
Farrell D. & Millie Owens Box 1246 New Garden Road Honaker, VA 24260	Unleased	0.03298077	0.01938462
Cathy (Kathy) Owens Address Unknown	Unleased	0.02748397	0.01615385
Kevin Owens Address Unknown	Unleased	0.02748397	0.01615385
Theresa Mullins Address Unknown	Unleased	0.02748397	0.01615385
Susan Owens Address Unknown	Unleased	0.02748397	0.01615385
Brian Owens Address Unknown	Unleased	0.02748397	0.01615385

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PARTIES WHO HAVE NOT REACHED A VOLUNTARY AGREEMENT
WITH OPERATOR
HAYSI-28-CBM UNIT 72-AF
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REVISED 7/17/2007

Diana Perrigan Address Unknown	Unleased	0.02748397	0.01615385
TOTAL CBM & GAS ESTATES		1.28291263	0.75403844

[pmog\pooling.haysi-28.nora72af.exb-3.revised.7-17-07]

EXHIBIT E
 LIST OF CONFLICTING AND UNKNOWN OR UNLOCATABLE OWNERS/CLAIMANTS THAT
 REQUIRE ESCROW
 HAYSI-28-CBM UNIT 72-AF
 DOCKET NO.: VGOB-07-0717-1966
 REVISED 7/17/2007

PERCENTAGE
 OWNERSHIP
 OF TRACT
 IN DISPUTE

PERCENTAGE
 OWNERSHIP
 OF UNIT
 IN DISPUTE

Tract 1
 B. M. Viers
 215-acre Tract
 (47.63% of unit)

100% OF THE COALBED METHANE INTEREST,
 THE OWNERSHIP OF WHICH IS IN DISPUTE BETWEEN
 THE FOLLOWING CBM OWNER AND GAS OWNER:

CBM OWNERSHIP

Pine Mountain Oil & Gas, Inc.	100.00000000%	47.63000000%
Attn: Jerry Grantham		
P. O. Box 2136		
Abingdon, VA 24212		
Total - CBM	100.00000000%	47.63000000%

GAS OWNERSHIP

Samuel J. Breeding, Jr.	100.00000000%	47.63000000%
4322 Louita Avenue		
Kingsport, TN 37660		
Total - Gas	100.00000000%	47.63000000%
Subtotal: Tract 1	100.00000000%	47.63000000%

EXHIBIT E
LIST OF CONFLICTING AND UNKNOWN OR UNLOCATABLE OWNERS/CLAIMANTS THAT
REQUIRE ESCROW
HAYSI-28-CBM UNIT 72-AF
DOCKET NO.: VGOB-07-0717-1966
REVISED 7/17/2007

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
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CBM Estate Only

<u>Tract 2</u> Michael Phillips et al. 57.5-acre Tract	Eva Owens Bonk or Unknown heirs Address Unknown	Unleased	0.32980769%	0.19384615
	Ruth Owens Address Unknown	Unleased	0.04711538%	0.02769231
	Cathy (Kathy) Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Kevin Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Theresa Mullins Address Unknown	Unleased	0.02748397%	0.01615385
	Susan Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Brian Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Diana Perrigan Address Unknown	Unleased	0.02748397%	0.01615385
		Subtotal: Tract 2	0.54182689%	0.31846156

Gas Estate Only

<u>Tract 2</u> Michael Phillips et al. 57.5-acre Tract	Eva Owens Bonk or Unknown heirs Address Unknown	Unleased	0.32980769%	0.19384615
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EXHIBIT E
LIST OF CONFLICTING AND UNKNOWN OR UNLOCATABLE OWNERS/CLAIMANTS THAT
REQUIRE ESCROW
HAYSI-28-CBM UNIT 72-AF
DOCKET NO.: VGOB-07-0717-1966
REVISED 7/17/2007

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Ruth Owens Address Unknown	Unleased	0.04711538%	0.02769231
	Cathy (Kathy) Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Kevin Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Theresa Mullins Address Unknown	Unleased	0.02748397%	0.01615385
	Susan Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Brian Owens Address Unknown	Unleased	0.02748397%	0.01615385
	Diana Perrigan Address Unknown	Unleased	0.02748397%	0.01615385
		Subtotal: Tract 2	<u>0.54182689%</u>	<u>0.31846156</u>

Total Percentage Ownership of Unit in Dispute: Tract 1: 47.63000000%

Total Percentage Ownership of Unit Unlocatable: Tract 2: 0.54182689%

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgement annexed, admitted to record this 28th day of August, 20 07. Instrument No. 070003162 TESTE: Beverly S. Tiller, Clerk
Returned to: D. M. M. E. TESTE: Beverly S. Tiller ~~Deputy~~ Clerk

\$23.00

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13 pages

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INSTRUMENT #100002226
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 11, 2010 AT 04:23PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGE

ENTERED